MARALO, INC. FEDERAL-CARSON NO. 1 CHAVES COUNTY, NEW MEXICO

(1) Existing roadway to the Maralo, Inc., Chavelea-Carson No. 1 will be utilized. New roadway will be constructed due north from the Maralo, Inc., Chavelea-Carson No. 1 to the proposed location for the Federal-Carson No. 1; 660' of new construction, 12' in width, will be through sand and on the U.S. Lease. See attached map for details.

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- (2) Production facilities, if a commercial well is realized, will be constructed on the extreme edge of the drilling pad.
- (3) Water, both fresh and brine, will be trucked to the drill site. Water to be purchased from a commercial source.
- (4) Materials for construction of access roadway and location will be secured from state land; pit approximately 2 1/2 miles distant.
- (5) No ancillary facilities are proposed.
- (6) After completion of operations all waste materials will be disposed of through burial to a sufficient depth. Liquids will be trucked to proper disposal facilities.
- (7) Surface of land will be restored to original conditions acceptable to Bureau of Land Management.
- (8) Well site layout -- as attached diagram.
- (9) Well control sketch -- as attached diagram.
- (10) OPERATORS representative designated as Cecil Evans, Production Superintendent, P. O. Box 832, Midland, Texas 79702; Telephone – 915-684-7441 (Office).
- (11) I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by MARALO, INC., its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

12 May 1977

Jack D. Semon

Jack D. Semon Manager-Engineer

JDS/1sg

RECEIVED JUN 13 1977 C.L CONSERVATION COMM. HOBBS, N. M.